

TEACHERS' RETIREMENT BOARD

INVESTMENT COMMITTEE

SUBJECT: Credit Enhancement Program
Activity Status Report

ITEM NUMBER: 14

ATTACHMENT(S): 2

ACTION: _____

DATE OF MEETING: April 3, 2002

INFORMATION: X

PRESENTER(S): Jean Kushida Uda

CalSTRS is underwriting a new confirming letter of credit in support of a refunding bond issue for the City of Sanger. CalSTRS will be backing a California-based bank. CalSTRS will be in a second-loss position.

The par amount of the refunding bonds is approximately \$16.7 million. The original bond proceeds were used for improvements to the city's wastewater system. The transaction is expected to close the end of March.

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2001-02 Fee Income	Fee Income To Date
DIRECT RISK									
Port of Long Beach	--	Liquidity	Jul-01	Jul-06	\$87,500,000	\$0	\$87,500,000	\$118,233	\$630,092
LA Fairplex	34	Credit	Sep-00	Sep-07	\$19,700,000	\$265,545	\$19,965,545	\$104,470	\$627,207
San Diego Unified Port Dist, Series A	20	Credit	Oct-97	Oct-02	\$27,500,000	\$2,576,712	\$30,076,712	\$25,989	\$124,124
San Diego Unified Port Dist, Series B	21	Credit	Oct-97	Oct-02	\$22,500,000	\$2,108,219	\$24,608,219	\$25,569	\$128,179
Pasadena Parking Authority	41	Credit	Jul-01	Jul-04	\$7,850,000	\$605,104	\$8,455,104	\$9,122	\$9,122
Pasadena Rosebowl	42	Credit	Jul-01	Jul-04	\$13,850,000	\$245,885	\$14,095,885	\$14,629	\$14,629
Kern High School 1995A	43	Credit	Aug-01	Aug-04	\$5,800,000	\$114,411	\$5,914,411	\$12,026	\$12,026
Kern High School 1995B	44	Credit	Aug-01	Aug-04	\$4,425,000	\$87,288	\$4,512,288	\$9,175	\$9,175
CHFA HMRB 1999 Series P & Q	28a	Liquidity	Dec-99	Apr-04	\$10,466,250	\$648,908	\$11,115,158	\$15,383	\$46,773
Lewis & Clark	32	Credit	Jun-00	Jun-05	\$25,000,000	\$2,284,932	\$27,284,932	\$85,531	\$241,798
CHFA Multi-family 2000 A & B	36	Liquidity	Nov-00	Jul-05	\$24,821,250	\$1,538,918	\$26,360,168	\$57,196	\$66,744
CHFA Multi-family 2000 C & D	37	Liquidity	Nov-00	Nov-05	\$20,558,750	\$1,274,643	\$21,833,393	\$48,596	\$55,241
Kern High School 2001	45	Credit	Aug-01	Aug-04	\$12,900,000	\$302,792	\$13,202,792	\$23,765	\$23,765
DIRECT RISK SUBTOTAL					\$282,871,250	\$12,053,357	\$294,924,607	\$549,684	\$1,988,875
DIRECT RISK - SECURED									
Buck Research on Aging	46	Credit	Dec-01	Dec-06	\$27,800,000	\$402,148	\$28,202,148	\$24,677	\$24,677
BOND INSURED									
Adventist West	--	Liquidity	Feb-98	Feb-05	\$114,500,000	\$1,693,973	\$116,193,973	\$86,279	\$618,555
CHFA 1998 Series P	27a	Liquidity	Apr-99	Dec-04	\$9,125,000	\$707,188	\$9,832,188	\$10,686	\$38,530
CHFA 1998 Series T	27b	Liquidity	Apr-99	Dec-04	\$4,793,750	\$371,516	\$5,165,266	\$5,413	\$19,130
CHFA 1998 Series M	27c	Liquidity	Apr-99	Dec-04	\$15,076,000	\$1,168,390	\$16,244,390	\$20,594	\$76,303
CHFA 1999 Series O	28b	Liquidity	Dec-99	Apr-04	\$18,948,750	\$1,468,528	\$20,417,278	\$25,626	\$74,046
CHFA 2000 Series C	29a	Liquidity	Jan-00	Apr-04	\$10,625,000	\$658,750	\$11,283,750	\$13,791	\$35,356
CHFA 2000 Series D	29b	Liquidity	Jan-00	Apr-04	\$19,887,500	\$1,541,281	\$21,428,781	\$26,677	\$70,286
CHFA 2000 Series G	29c	Liquidity	Apr-00	Apr-04	\$17,433,750	\$1,080,893	\$18,514,643	\$22,659	\$52,390
CHFA 2000 Series H	29d	Liquidity	Apr-00	Apr-04	\$28,132,500	\$2,180,269	\$30,312,769	\$37,677	\$89,173
CHFA 2000 Series J, L, N	29e	Liquidity	May-00	May-03	\$30,091,250	\$2,332,072	\$32,423,322	\$39,727	\$85,257
CHFA 2000 Series K	29f	Liquidity	May-00	May-03	\$29,376,250	\$3,794,432	\$33,170,682	\$41,403	\$88,376
CHFA 2000 Series U	35	Liquidity	Oct-00	Oct-03	\$9,748,750	\$745,178	\$10,493,928	\$13,732	\$22,599
CHFA 2000 Series X-1 & X-2	38	Liquidity	Dec-00	Dec-03	\$14,246,250	\$1,088,960	\$15,335,210	\$19,988	\$27,957
CHFA 2001 Series C	39a	Liquidity	Jan-01	Jan-06	\$3,017,500	\$230,653	\$3,248,153	\$2,488	\$3,381
CHFA 2001 Series F	39b	Liquidity	Apr-01	Apr-02	\$6,250,000	\$477,740	\$6,727,740	\$4,558	\$4,558
BOND INSURED SUBTOTAL					\$331,252,250	\$19,539,823	\$350,792,073	\$371,298	\$1,305,897

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2001-02 Fee Income	Fee Income To Date
DIRECT PAY LETTERS OF CREDIT									
APM, Inc. Series 1994A	25	Credit	Aug-99	Jul-04	\$450,000	\$10,060	\$460,060	\$1,452	\$8,318
Altamont/Pkging Series 1994A	25	Credit	Aug-99	Jul-04	\$2,425,000	\$54,214	\$2,479,214	\$3,539	\$17,148
DV Packaging/La Barbera	25	Credit	Sep-99	Aug-04	\$1,095,000	\$24,480	\$1,119,480	\$2,228	\$11,806
Wilson Entities	24	Credit	Sep-99	Aug-04	\$2,300,000	\$51,419	\$2,351,419	\$3,802	\$18,105
Tulip Corporation	31	Credit	Jul-00	Jul-04	\$2,200,000	\$49,184	\$2,249,184	\$0	\$5,938
Santa Clara 1997A (5 yr term)	33	Credit	Aug-00	Aug-06	\$4,235,000	\$71,009	\$4,306,009	\$0	\$18,506
Propak of California	1	Credit	Nov-94	Nov-04	\$1,985,000	\$44,377	\$2,029,377	\$5,852	\$73,213
J. Michelle/Edie Lee	1	Credit	Nov-94	Nov-04	\$1,340,000	\$29,957	\$1,369,957	\$3,796	\$69,864
Pasco Scientific	1	Credit	Nov-94	Nov-04	\$1,805,000	\$40,353	\$1,845,353	\$7,913	\$74,116
American River Packaging	1	Credit	Nov-94	Nov-04	\$1,645,000	\$36,776	\$1,681,776	\$5,118	\$51,917
Intermountain Trading	2	Credit	Feb-95	Jan-05	\$190,000	\$4,248	\$194,248	\$883	\$13,880
Andercraft Products	2	Credit	Feb-95	Jan-05	\$550,000	\$12,296	\$562,296	\$2,343	\$41,434
Sunclipse, Inc. (Alhambra)	2	Credit	Feb-95	Jan-05	\$3,200,000	\$71,540	\$3,271,540	\$6,181	\$84,253
Sunclipse, Inc. (Union City)	2	Credit	Feb-95	Jan-05	\$2,135,000	\$47,730	\$2,182,730	\$4,243	\$60,089
Busseto Foods, Inc. (Rapelli of CA)	2	Credit	Feb-95	Jan-05	\$2,500,000	\$55,890	\$2,555,890	\$4,907	\$66,376
American Zettler	4	Credit	Mar-95	Mar-04	\$1,875,000	\$41,918	\$1,916,918	\$3,838	\$51,240
Contech Engineering Prod.	4	Credit	Mar-95	Mar-04	\$960,000	\$21,462	\$981,462	\$3,092	\$33,585
Evapco, Inc.	4	Credit	Mar-95	Mar-04	\$360,000	\$8,048	\$368,048	\$818	\$14,352
Florestone Products Co.	4	Credit	Mar-95	Mar-04	\$1,075,000	\$24,033	\$1,099,033	\$2,119	\$38,150
Grundfos Pumps Company	4	Credit	Mar-95	Mar-04	\$6,000,000	\$134,137	\$6,134,137	\$11,077	\$139,070
NRI, Inc.	4	Credit	Mar-95	Mar-04	\$1,240,000	\$27,722	\$1,267,722	\$2,419	\$50,083
W & H Voortman, Inc.	4	Credit	Mar-95	Mar-04	\$2,280,000	\$50,972	\$2,330,972	\$5,768	\$51,963
Allwire, Inc.	6	Credit	Mar-95	Mar-04	\$210,000	\$4,695	\$214,695	\$1,159	\$16,189
Fairway Real Estate	6	Credit	Mar-95	Mar-04	\$420,000	\$9,390	\$429,390	\$2,154	\$35,604
S & P Investments	6	Credit	Mar-95	Mar-04	\$885,000	\$19,785	\$904,785	\$2,451	\$35,995
Northwest Pipe & Casing	7	Credit	Apr-95	Apr-04	\$2,250,000	\$50,301	\$2,300,301	\$4,993	\$83,090
Zieman Manufacturing	7	Credit	Apr-95	Apr-04	\$315,000	\$7,042	\$322,042	\$2,382	\$20,270
Carvin Corporation	8	Credit	Jun-95	Jun-04	\$560,000	\$12,519	\$572,519	\$6,205	\$63,449
Kennerley-Spratling	8	Credit	Jun-95	Jun-04	\$1,935,000	\$43,259	\$1,978,259	\$4,120	\$76,714
Staub Metals, Inc.	8	Credit	Jun-95	Jun-04	\$255,000	\$5,701	\$260,701	\$1,218	\$34,096
Walker Spring and Stamping Corp.	9	Credit	Sep-95	Sep-04	\$2,820,000	\$63,044	\$2,883,044	\$11,373	\$84,027
South Bay Circuits, Inc.	9	Credit	Sep-95	Sep-04	\$1,350,000	\$30,181	\$1,380,181	\$3,057	\$47,155
W & H Voortman, Inc.	9	Credit	Sep-95	Sep-04	\$840,000	\$18,779	\$858,779	\$2,074	\$28,518
Red Line Oil Co.	10	Credit	Nov-95	Nov-04	\$930,000	\$20,791	\$950,791	\$3,677	\$30,816
Johansen Dielectrics (JDI)	10	Credit	Nov-95	Nov-04	\$1,025,000	\$22,915	\$1,047,915	\$4,757	\$54,911
Peet's Coffee	10	Credit	Nov-95	Nov-04	\$1,300,000	\$29,063	\$1,329,063	\$5,656	\$65,459
Safariland	13	Credit	Oct-96	Oct-04	\$3,000,000	\$62,137	\$3,062,137	\$4,021	\$46,666
Control Air Conditioning	18	Credit	May-97	May-02	\$4,200,000	\$75,945	\$4,275,945	\$8,941	\$97,797
Cordeiro Vault Co., Inc.	15	Credit	Dec-96	Dec-04	\$475,000	\$10,619	\$485,619	\$2,251	\$29,621

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2001-02 Fee Income	Fee Income To Date
Fibrebond West, Inc.	17	Credit	Dec-96	Dec-04	\$3,790,000	\$84,730	\$3,874,730	\$8,950	\$129,370
DIRECT PAY LETTERS OF CREDIT SUBTOTAL					\$68,405,000	\$1,482,721	\$69,887,721	\$160,827	\$1,973,153

CONFIRMING LETTERS OF CREDIT & OTHER INDIRECT RISK

Monrovia Redevelopment Agency	CLOC 3	Credit	Jan-98	Jan-03	\$8,300,000	\$238,312	\$8,538,312	\$8,538	\$80,491
Western Saw	CLOC 6	Credit	Jun-98	Jun-04	\$3,180,000	\$47,047	\$3,227,047	\$3,389	\$28,941
St. Vincent de Paul	CLOC 7	Credit	May-99	May-04	\$7,485,000	\$110,737	\$7,595,737	\$20,160	\$76,379
Delta Tau Data Systems	CLOC 8	Credit	Aug-98	Aug-04	\$5,800,000	\$85,808	\$5,885,808	\$5,789	\$74,287
Dix Metals	CLOC 9	Credit	Sep-98	Sep-04	\$5,045,000	\$74,638	\$5,119,638	\$10,864	\$74,572
City of Fillmore	CLOC 10	Credit	Sep-98	Sep-04	\$10,120,000	\$192,973	\$10,312,973	\$10,485	\$61,420
Accurate Engineering	CLOC 12	Credit	Oct-98	Oct-04	\$4,230,000	\$62,581	\$4,292,581	\$4,015	\$36,553
The Terraces/Park Marino	CLOC 13	Credit	Oct-98	Oct-04	\$7,775,000	\$127,808	\$7,902,808	\$0	\$92,157
Santa Paula (Water Supply)	CLOC 14	Credit	Nov-98	Nov-04	\$23,500,000	\$448,110	\$23,948,110	\$24,347	\$134,067
Mission Viejo	CLOC 15	Credit	May-99	May-06	\$31,100,000	\$2,177,853	\$33,277,853	\$41,597	\$234,332
City of Fillmore	CLOC 16	Credit	Mar-99	Jun-04	\$7,345,000	\$137,643	\$7,482,643	\$0	\$48,305
City of Ontario	CLOC 17	Credit	Apr-99	Apr-04	\$8,020,000	\$147,656	\$8,167,656	\$16,335	\$58,542
City of Ontario	CLOC 18	Credit	Apr-99	Apr-04	\$6,430,000	\$116,268	\$6,546,268	\$6,546	\$40,072
Watt Four	CLOC 19	Credit	May-99	May-04	\$2,630,000	\$44,098	\$2,674,098	\$5,437	\$31,135
Evergreen	CLOC 20	Credit	Jun-99	Jun-04	\$2,303,750	\$34,083	\$2,337,833	\$3,052	\$19,902
Fontana Redevelopment	CLOC 21	Credit	Jun-99	Jun-04	\$3,114,361	\$0	\$3,114,361	\$18,686	\$25,001
New United Motor (NUMMI)	CLOC 22	Credit	Jun-99	May-02	\$11,015,000	\$130,369	\$11,145,369	\$29,798	\$90,045
Inland	CLOC 23	Credit	Jun-99	Jun-04	\$44,485,000	\$2,925,042	\$47,410,042	\$47,673	\$264,179
Alameda Point	CLOC 26	Credit	Sep-99	Sep-04	\$10,000,000	\$391,233	\$10,391,233	\$0	\$26,902
Apple Valley	CLOC 27	Credit	Sep-99	Sep-04	\$5,325,000	\$208,332	\$5,533,332	\$5,564	\$28,499
Primero Grove	CLOC 28	Credit	Dec-99	Dec-04	\$11,715,000	\$112,336	\$11,827,336	\$44,969	\$104,844
Starter/Alternator	CLOC 29	Credit	Sep-99	Sep-04	\$5,000,000	\$73,973	\$5,073,973	\$5,159	\$28,612
Adelanto PUA, Series A	CLOC 30	Credit	Feb-00	Feb-05	\$9,385,000	\$166,616	\$9,551,616	\$4,864	\$34,153
Adelanto PUA, Series B, C	CLOC 30	Credit	Feb-00	Feb-05	\$34,940,000	\$620,305	\$35,560,305	\$17,978	\$126,239
San Francisco Conservatory of Music	CLOC 31	Credit	Mar-00	Mar-04	\$10,000,000	\$170,959	\$10,170,959	\$0	\$61,873
Oakland-Alameda Cnty Coliseum	STRS 30	Credit	May-00	May-03	\$51,200,000	\$942,641	\$52,142,641	\$78,857	\$202,184
City of Compton	CLOC 33	Credit	Jun-00	Jun-04	\$6,000,000	\$114,411	\$6,114,411	\$0	\$12,229
Marborg Industries (Term 2 yrs)	CLOC 34	Credit	Jun-00	Jun-03	\$5,425,000	\$82,044	\$5,507,044	\$0	\$15,257
AAA Packing & Shipping Inc.	CLOC 35	Credit	Jun-00	Jun-04	\$3,000,000	\$44,384	\$3,044,384	\$1,556	\$8,250
City of Lake Elsinore	CLOC 36	Credit	Jul-00	Jul-05	\$15,660,000	\$288,316	\$15,948,316	\$32,129	\$80,948
City of Duarte	CLOC 37	Credit	Apr-01	Apr-04	\$6,000,000	\$110,466	\$6,110,466	\$0	\$12,221
City of Vallejo	CLOC 38	Credit	May-01	May-04	\$16,350,000	\$311,770	\$16,661,770	\$0	\$33,324
Megatoys	CLOC 40	Credit	Jun-01	Jun-06	\$3,000,000	\$54,247	\$3,054,247	\$0	\$12,217
Oakland-Alameda Arena	STRS 40	Credit	Jul-01	Jul-04	\$42,300,000	\$2,347,650	\$44,647,650	\$47,394	\$47,394
Beaumont Wastewater	CLOC 41	Credit	Aug-01	Aug-04	\$9,790,000	\$177,025	\$9,967,025	\$19,580	\$19,580
Advance Business Graphics	CLOC 42	Credit	Aug-01	Aug-04	\$6,050,000	\$89,507	\$6,139,507	\$0	\$0

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2001-02 Fee Income	Fee Income To Date
Santa Clara 2001A	CLOC 43	Credit	Oct-01	Oct-04	\$7,560,000	\$111,847	\$7,671,847	\$26,694	\$26,694
The Ratto Group	CLOC 44	Credit	Nov-01	Nov-04	\$9,845,000	\$145,652	\$9,990,652	\$0	\$0
City of Montebello	CLOC 45	Credit	Dec-01	Dec-04	\$8,750,000	\$163,973	\$8,913,973	\$17,828	\$17,828
Plastikon Industries Project	CLOC 46	Credit	Jan-02	Jan-05	\$6,500,000	\$230,795	\$6,730,795	\$0	\$0
CONFIRMING LETTERS OF CREDIT & OTHER INDIRECT RISK SUBTOTAL					\$475,673,111	\$14,059,508	\$489,732,619	\$559,283	\$2,369,628

CalSTRS CREDIT ENHANCEMENT PROGRAM
CREDIT ENHANCEMENT EXPOSURE
PROGRAM SUMMARY AS OF FEBRUARY 28, 2002

Attachment 2
Investment Committee - Item 14
April 3, 2002

Borrower	Financial Institution	Principal Commitment	Interest Commitment	Total Commitment	Portfolio Percentage	Moody's Rating
DIRECT RISK *						
Port of Long Beach	(Dexia)	\$87,500,000	\$0	\$87,500,000	7.09%	Aa3
San Diego Unified Port District	(CIBC)	\$27,500,000	\$2,576,712	\$30,076,712	2.44%	A1
Buck Research Center on Aging	(Bank of New York)	\$27,800,000	\$402,148	\$28,202,148	2.29%	not rated
Lewis & Clark	(CIBC)	\$25,000,000	\$2,284,932	\$27,284,932	2.21%	not rated
CHFA 2000 Multi-family A & B	(Helaba Bank)	\$24,821,250	\$1,538,918	\$26,360,168	2.14%	Aa3
San Diego Unified Port District	(CIBC)	\$22,500,000	\$2,108,219	\$24,608,219	1.99%	A1
CHFA 2000 Multi-family C & D	(Helaba Bank)	\$20,558,750	\$1,274,643	\$21,833,393	1.77%	Aa3
LA Fairplex	(Allied Irish Bank)	\$19,700,000	\$265,545	\$19,965,545	1.62%	not rated
Pasadena Rose Bowl	(Bank of New York)	\$13,850,000	\$245,885	\$14,095,885	1.14%	A2
Kern High School 2001	(Bank of New York)	\$12,900,000	\$302,792	\$13,202,792	1.07%	A2
CHFA HMRB 1999 Series P & Q	(Commerzbank Aktiengesellschaft)	\$10,466,250	\$648,908	\$11,115,158	0.90%	Aa2
Pasadena Parking Authority	(Bank of New York)	\$7,850,000	\$605,104	\$8,455,104	0.69%	A2
Kern High School 1995A	(Bank of New York)	\$5,800,000	\$114,411	\$5,914,411	0.48%	A2
Kern High School 1995B	(Bank of New York)	\$4,425,000	\$87,288	\$4,512,288	0.37%	A2
TOTAL - DIRECT RISK		\$310,671,250	\$12,455,505	\$323,126,755	26%	

* These are direct risk transactions. The obligations of CalSTRS and the partner financial institutions are several and not joint.
CalSTRS is not responsible for the obligation of the partner financial institution.

CalSTRS CREDIT ENHANCEMENT PROGRAM
CREDIT ENHANCEMENT EXPOSURE
PROGRAM SUMMARY AS OF FEBRUARY 28, 2002

Attachment 2
Investment Committee - Item 14
April 3, 2002

Borrower	Financial Institution	Principal Commitment	Interest Commitment	Total Commitment	Portfolio Percentage	Moody's Rating
INDIRECT RISK & FINANCIAL INSTITUTION EXPOSURE **						
Various borrowers	Union Bank of California, N.A.	\$323,984,335	\$10,032,476	\$334,016,811	27.08%	A1
Various borrowers	FSA	\$161,935,000	\$13,614,498	\$175,549,498	14.23%	Aaa
Various borrowers	MBIA	\$145,574,750	\$4,085,281	\$149,660,031	12.13%	Aaa
Various borrowers	Sumitomo Mitsui Banking Corp.	\$42,300,000	\$2,347,650	\$44,647,650	3.62%	A3
Various borrowers	City National Bank	\$25,375,000	\$387,925	\$25,762,925	2.09%	A3 ¹ / Aaa ²
Various borrowers	AMBAC	\$23,742,500	\$1,840,044	\$25,582,544	2.07%	Aaa
Various borrowers	The Sakura Bank, Ltd.	\$23,600,026	\$434,499	\$24,034,525	1.95%	A3
Various borrowers	United California Bank	\$22,990,000	\$397,158	\$23,387,158	1.90%	A2
Various borrowers	Bank of America	\$17,240,000	\$380,488	\$17,620,488	1.43%	Aa1
Various borrowers	Tokai Bank of California	\$11,715,000	\$112,336	\$11,827,336	0.96%	A3
Various borrowers	Bank of Tokyo-Mitsubishi, Ltd.	\$11,015,000	\$130,369	\$11,145,369	0.90%	A2
Various borrowers	Westamerica Bancorp	\$9,845,000	\$145,652	\$9,990,652	0.81%	Aaa ³
Various borrowers	General Bank	\$8,300,000	\$238,312	\$8,538,312	0.69%	Aaa ³
Various borrowers	Pacific Century Bank, N.A.	\$8,180,000	\$121,020	\$8,301,020	0.67%	Aaa ³
Various borrowers	Wells Fargo Bank	\$6,810,000	\$152,246	\$6,962,246	0.56%	Aa1
Various borrowers	Unibank	\$6,000,000	\$134,137	\$6,134,137	0.50%	Aa3
Various borrowers	Santa Barbara Bank & Trust	\$5,425,000	\$82,044	\$5,507,044	0.45%	Aaa ³
Various borrowers	Hibernia National Bank	\$3,790,000	\$84,730	\$3,874,730	0.31%	A3
Various borrowers	Bank of Nova Scotia	\$3,120,000	\$69,751	\$3,189,751	0.26%	Aa3
Various borrowers	Far East National Bank	\$3,000,000	\$54,247	\$3,054,247	0.25%	Aaa
Various borrowers	Istituto Bancario San Paolo Di Torino Spa	\$2,500,000	\$55,890	\$2,555,890	0.21%	A1
Various borrowers	Coast Commercial Bank	\$2,300,000	\$51,419	\$2,351,419	0.19%	Aaa ³
Various borrowers	First National Bank	\$2,303,750	\$34,083	\$2,337,833	0.19%	Aaa ³
Various borrowers	First Union National Bank	\$1,300,000	\$29,063	\$1,329,063	0.11%	Aa3
Various borrowers	Comerica Bank - California	\$1,350,000	\$30,181	\$1,380,181	0.11%	A1
Various borrowers	Mellon Bank	\$960,000	\$21,462	\$981,462	0.08%	Aa3
Various borrowers	Mellon 1st Business Bank	\$420,000	\$9,390	\$429,390	0.03%	A2
Various borrowers	Fleet Bank	\$255,000	\$5,701	\$260,701	0.02%	A1
TOTAL - INDIRECT RISK & FINANCIAL INSTITUTIONS		\$875,330,361	\$35,082,052	\$910,412,413	74%	
TOTAL CREDIT ENHANCEMENT EXPOSURE		\$1,186,001,611	\$47,537,557	\$1,233,539,168	100%	

** These are indirect risk transactions. CalSTRS is in a second loss position. CalSTRS is obligated to pay only if the fronting financial institution is unable to.

¹ \$7 million bank risk

CalSTRS CREDIT ENHANCEMENT PROGRAM
CREDIT ENHANCEMENT EXPOSURE
PROGRAM SUMMARY AS OF FEBRUARY 28, 2002

Attachment 2
Investment Committee - Item 14
April 3, 2002

Borrower	Financial Institution	Principal Commitment	Interest Commitment	Total Commitment	Portfolio Percentage	Moody's Rating
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² \$14 million treasury/agency-backed securities

³ Treasury or agency-backed securities

S&P Rating

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AA-
A+
not rated
not rated
AA-
A+
AA-
not rated
A+
not rated
AA-
A+
not rated
not rated

S&P Rating



A-
 AAA
 AAA
 BBB+
 BBB+¹ / AAA²
 AAA
 BBB+
 BBB+
 AA-
 BBB
 A-
 AAA³
 AAA³
 AAA³
 AA-
 A+
 AAA³
 BBB+
 A+
 AAA
 not rated
 AAA³
 AAA³
 A+
 A
 AA-
 A+
 A+

S&P Rating

Transaction	LOC #	Type	Closing Date	End of Commitment	Principal Commitment	Interest Commitment	Total Commitment	Fiscal 2001-02 Fee Income	Fee Income To Date
REDEEMED TRANSACTIONS									
REDEEMED SUBTOTAL					\$0	\$0	\$0	\$299,727	\$3,085,233
GRAND TOTAL					\$1,186,001,611	\$47,537,557	\$1,233,539,168	\$1,965,496	\$10,747,463